

THE WORKFORCE INVESTMENT ACT

In August of 1998, President Clinton signed the new Workforce Investment Act (WIA) with implementation of the new legislation to be fully effective July 2000. WIA provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of the nation's businesses *and* the needs of job seekers and those who want to further their careers. Title I of the legislation is based on the following elements:

- Training and employment programs must be designed and managed at the local level—where the needs of businesses and individuals are best understood.
- Customers must be able to conveniently access the employment, education, training, and information services they need at a single location in their neighborhoods.
- Customers should have choices in deciding the training program that best fits their needs and the organizations that will provide that service. They should have control over their own career development.
- Customers have a right to information about how well training providers succeed in preparing people for jobs. Training providers will provide information on their success rates. Businesses will provide information, leadership, and play an active role in ensuring that the system prepared people for current and future jobs.

The Act builds on the most successful elements of previous Federal legislation. Just as important, its key components are based on local and State input and extensive research and evaluation studies of successful training and employment innovations over the past decade.

What “tools” does the Act provide?

WIA incorporates a number of approaches that can be seen as new “tools” states and local areas can use to transform their workforce development systems. These include:

- **One Stop Career Centers:** One Stop Career Centers are the “hub” of the new system. Each local area is required to have at least one comprehensive One Stop that provides universal access to a wide array of job training, education and employment services. Importantly one of their core functions is to provide consumers with the information they need to make informed career development decisions.
- **Individual Training Accounts:** WIA promotes individual responsibility and customer choice through the use of “Individual Training Accounts” (ITAs), or

vouchers, that allow adult customers to “purchase” the training they determine is best for them.

- **Service Provider Accountability:** While WIA opens the training marketplace to its customers, it also puts consumer protections in place. The legislation mandates that providers of education and training meet certain standards and receive a formal stamp of approval from the state. Providers also must provide performance information to the One Stops so that customers can effectively evaluate the quality of each program.
- **Incumbent Worker Training:** WIA allows states to train employed workers without restriction and permits local areas to train the working poor.
- **Youth Councils:** WIA places new emphasis on youth, eliminates the separation between funding for year-round activities and funding for summer activities, and establishes special youth councils as a subgroup of each local governing Workforce Investment Board. WIA also emphasizes preparation for postsecondary educational opportunities, strong linkages between academic and occupational training, and effective connections to intermediaries with strong links to employers. Overall, these changes open the door to a better-integrated system of services for at-risk youth.
- **Performance Management:** In addition to explicit performance management tools with more teeth in them, WIA implicitly offers states a whole new approach to managing their workforce development systems. By allowing (and encouraging) states to develop unified plans covering many employment and training programs, WIA creates the possibility of setting broad goals for an entire system—goals and measures that cross programs and agencies. By placing special emphasis on performance measures, WIA also reminds states and local areas that these may be their most powerful tools in driving programs to achieve desired outcomes.

COMPOSITION OF WIBS

Private employers must comprise a majority of each Workforce Board and the chair must be elected from the private sector membership. Workforce Boards should be representative

of the employer mix in the community, in terms of both size and type of industry. Other members of the Boards include representatives of organized labor, local government, education agencies, economic development agencies, community-based organizations, and social service agencies. The average local Board consists of between 25 and 50 members.

GOVERNANCE OF WIBS

Under the Workforce Investment Act there are two types of Workforce Investments Boards: state-level and local-level. Additionally, each local WIB is required to have a Youth Council. Under guidelines within WIA, the Governor determines how many local workforce investment board regions there are. The governance of each type of board is described below.

- **State Workforce Investment Boards (SWIBs)**

State WIBs (SWIBs) include two members of each chamber of the State legislature and appointments by the Governor. These appointments include:

- Business (majority)
- Elected officials
- Labor organizations
- State agency heads
- Individuals with experience in delivering programs

- **Local Workforce Investment Boards (LWIBs)**

The local Chief Elected Official appoints the local WIBs (LWIBs). The majority of LWIBs must be business representatives. This body also includes representatives of:

- Educational providers
- Labor organizations
- Community-based organizations
- Economic development agencies
- One-Stop program partners

Workforce Investment Boards in Regional Skills

Partnerships

The Workforce Investment Act charges WIBs with the following roles:

- A convener of the stakeholders in the workforce development system;
- A developer of workforce development strategy forged with appropriate stakeholders and based on deep knowledge of the regional labor market, business trends, community needs, and available resources;
- A strategic investor of workforce development resources that the WIB has authority over or obtains from discretionary sources;
- An intermediary facilitating connections between labor market supply and demand;
- A partner creating connections with education, economic development, community agencies, organized labor and the business community.

If you are representing a WIB, the U.S. DOL skills shortages initiatives can be an opportunity to better understand your local labor market, convene local partners, begin developing a strategic workforce development plan, and creating effective investments in your region.

If you are representing an organization other than a WIB, you may need guidance on how to make the connection with your workforce board. Here are some ways of beginning that connection:

- 1. Contact your WIB.** The National Association of Workforce Boards' website (www.nawb.org) lists all of the state and local WIBs and contact people for those bodies. If you are not sure which WIB (or WIBs) represents your labor market, contact the state WIB or your regional DOL office (that list is included in the Appendix).
- 2. Research the WIB.** Once you know who to contact you can request information on the WIB or WIBs relevant to your region. This information can include the WIB membership, the most recent WIA plan, a description of activities and programs, and a list of staff.
- 3. Describe your interest.** Once you are in contact with a WIB explain not only your interest in regional skills shortages initiatives, but also the contribution you can make to these efforts. In most cases WIBs will be eager to find partners for new programs that can help them effectively serve their communities;
- 4. Convene the stakeholders.** While the U.S. DOL skills shortages initiatives provide new and important resources to address skills shortages, the most effective regional skills partnerships are those that are created to meet real local needs and have the sustained commitment of involved partners. The stronger the partnership,

the more likely a WIB will be to support grant proposals to U.S. DOL, provide other resources, and/or agree to act as the grantee for H-1B funding.

- 5. Have patience.** If you are not able to immediately create an effective relationship with your local WIB, don't give up. There will be future grant opportunities. While, partnerships may be inspired by new funding opportunities, they generally take time to build. The Partnership Building Grant offers this longer time frame to establish roles and understand all aspects of the problem prior to developing an approach to respond to skill shortages. Also, funding for H-1B training grants is continuing to be collected from certification fees and other grant opportunities can be anticipated..